

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TOWNSHIP OF LEROY

INGHAM COUNTY, MICHIGAN

MARCH 31, 2004

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name LEROY	County INGHAM
Audit Date 3-31-04	Opinion Date 6-28-04	Date Accountant Report Submitted to State: 7-6-04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	<input checked="" type="checkbox"/>		
Reports on individual federal financial assistance programs (program audits).			<input checked="" type="checkbox"/>
Single Audit Reports (ASLGU).			<input checked="" type="checkbox"/>

Certified Public Accountant (Firm Name) JAMES M. IRELAND, P.C.			
Street Address 6920 S. CEDAR ST., SUITE #3	City LANSING	State MI	ZIP 48911-6924
Accountant Signature James M. Ireland, CPA			

TOWNSHIP OF LEROY
TOWNSHIP BOARD

Neil West	-	Supervisor
Wilma J. Whitehead	-	Clerk
Roberta M. Hamlin	-	Treasurer
Gerald E. Alchin	-	Trustee
David D. Hall	-	Trustee

TOWNSHIP OF LEROY
INGHAM COUNTY, MICHIGAN

Table of Contents

Independent Auditor's Report	1
<u>Combined Statements - Overview:</u>	
Combined Balance Sheet - All Fund Types and Account Groups	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	3
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	4
Cemetery Perpetual Care Fund:	
Statement of Revenues, Expenditures and Changes in Fund Balance	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11
<u>Financial Statements of Individual Funds:</u>	
General Fund:	
Balance Sheet	12
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	13-19
Street Lighting Fund:	
Balance Sheet	20
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	21
Combining Balance Sheet	22
Cemetery Perpetual Care Fund:	
Balance Sheet	23
Combining Statement of Changes in Assets and Liabilities - Agency Funds	24
Current Tax Collection fund - Statement of Cash Receipts and Disbursements	25
Trust and Agency Fund - Statement of Cash Receipts and Disbursements	26

JAMES M. IRELAND, P.C.
CERTIFIED PUBLIC ACCOUNTANT
6920 S. CEDAR ST., STE. 3, LANSING, MI 48911-6924
(517) 699-5320 • FAX (517) 699-5320

Independent Auditor's Report

Members of the Township Board
Township of Leroy
Ingham County, Michigan

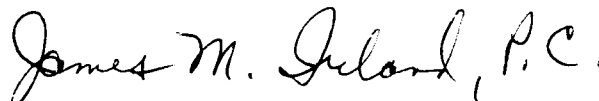
Boardmembers:

I have audited the accompanying general purpose financial statements of the Township of Leroy as of and for the year ended March 31, 2004, as listed in the table of contents. These general purpose financial statements are the responsibility of the township's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Leroy as of March 31, 2004, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Township of Leroy. The information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.


Certified Public Accountant

June 28, 2004

TOWNSHIP OF LEROY
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

March 31, 2004
With Comparative Totals for March 31, 2003

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Account Group</u>	<u>Totals</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>(Memorandum Only)</u>	
					<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>						
Cash	\$ 311,683	\$ 630	\$ 19,383	\$ -	\$ 331,696	\$ 421,135
Investments	190,702	-	160	-	190,862	199,875
Receivables:						
Taxes	9,039	-	-	-	9,039	6,198
Special assessments	-	10	-	-	10	9
Interest	-	-	214	-	214	214
Due from other funds	744	-	-	-	744	-
Fixed Assets	-	-	-	851,596	851,596	849,910
<u>Total Assets</u>	<u>\$ 512,168</u>	<u>\$ 640</u>	<u>\$ 19,757</u>	<u>\$ 851,596</u>	<u>\$ 1,384,161</u>	<u>\$ 1,477,341</u>
<u>Liabilities</u>						
Due to other funds	\$ -	\$ -	\$ 744	\$ -	\$ 744	\$ -
Due to other governmental units	-	-	-	-	-	191,422
<u>Total Liabilities</u>	-	-	744	-	744	191,422
<u>Fund Equity</u>						
Investment in general fixed assets	-	-	-	851,596	851,596	849,910
Fund balance:						
Reserved	360,663	640	15,845	-	377,148	332,862
Unreserved	151,505	-	3,168	-	154,673	103,147
<u>Total Fund Equity</u>	<u>512,168</u>	<u>640</u>	<u>19,013</u>	<u>851,596</u>	<u>1,383,417</u>	<u>1,285,919</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$ 512,168</u>	<u>\$ 640</u>	<u>\$ 19,757</u>	<u>\$ 851,596</u>	<u>\$ 1,384,161</u>	<u>\$ 1,477,341</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES

Year Ended March 31, 2004
With Comparative Totals for March 31, 2003

	General	Special Revenue	Total (Memorandum Only) 3/31/04	3/31/03
<u>Revenues</u>				
Taxes	\$ 120,602	\$ -	\$ 120,602	\$ 100,435
Licenses and permits	15,979	-	15,979	9,497
State grants	148,666	-	148,666	161,207
Charges for services	17,190	-	17,190	2,894
Miscellaneous	18,665	826	19,491	12,203
Total Revenues	321,102	826	321,928	286,236
<u>Expenditures</u>				
Legislative	7,006	-	7,006	5,417
General government	141,340	-	141,340	131,109
Public safety	25,885	-	25,885	14,253
Public works	41,739	828	42,567	37,969
Cultural and recreation	5,000	-	5,000	6,500
Other functions	3,676	-	3,676	3,326
Capital outlay	1,810	-	1,810	1,165
Total Expenditures	226,456	828	227,284	199,739
Excess (Deficiency) of Revenues over Expenditures	94,646	(2)	94,644	86,497
<u>Other Sources (Uses)</u>				
Operating transfers in	546	-	546	666
Operating transfers out	-	-	-	-
Total Other Sources (uses)	546	-	546	666
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and other uses	95,192	(2)	95,190	87,163
Fund Balance, April 1	416,976	642	417,618	330,455
Fund Balance, March 31	\$ 512,168	\$ 640	\$ 512,808	\$ 417,618

See accompanying notes to financial statements.

TOWNSHIP OF LEROY

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

Year Ended March 31, 2004

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
<u>Revenues</u>			
Taxes	\$ 98,900	\$ 120,602	\$ 21,702
Licenses and permits	10,500	15,979	5,479
State grants	108,050	148,666	40,616
Charges for services	4,200	17,190	12,990
Miscellaneous	14,500	18,665	4,165
Total Revenues	236,150	321,102	84,952
<u>Expenditures</u>			
Legislative	7,006	7,006	-
General government	176,765	141,340	35,425
Public safety	27,627	25,885	1,742
Public works	51,205	41,739	9,466
Cultural and recreation	7,500	5,000	2,500
Other functions	4,000	3,676	324
Capital outlay	4,500	1,810	2,690
Contingencies	7,565	-	7,565
Total Expenditures	286,168	226,456	59,712
Excess (Deficiency) of Revenues over Expenditures	(50,018)	94,646	144,664
<u>Other Sources (uses)</u>			
Operating transfers in (out)	-	546	546
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses)	(50,018)	95,192	145,210
Fund Balance, April 1	410,663	416,976	6,313
<u>Fund Balance, March 31</u>	<u>\$ 360,645</u>	<u>\$ 512,168</u>	<u>\$ 151,523</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
CEMETERY PERPETUAL CARE FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

Years Ended March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Revenue</u>		
Perpetual care deposits	\$ 600.00	\$ 55.00
Interest and dividends earned	<u>568.44</u>	<u>577.77</u>
Total Revenues	1,168.44	632.77
<u>Other Uses</u>		
Transfers to general fund	<u>545.91</u>	<u>665.55</u>
Excess (Deficiency) of Revenues over Other Uses	622.53	(32.78)
Fund Balance, April 1	<u>18,390.85</u>	<u>18,423.63</u>
<u>Fund Balance, March 31</u>	<u><u>\$ 19,013.38</u></u>	<u><u>\$ 18,390.85</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
CEMETERY PERPETUAL CARE FUND

STATEMENT OF CASH FLOWS

Years Ended March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Operating Activities</u>		
Excess (Deficiency) of revenues over other uses	\$ 622.53	\$ (32.78)
Adjustments to reconcile net income to cash provided by operating activities:		
Changes in receivables and payables:		
Interest receivable	<u>-</u>	<u>-</u>
Net Cash Provided by (Used In) Operating Activities	622.53	(32.78)
<u>Investing Activities</u>	-	-
<u>Financing Activities</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	622.53	(32.78)
Cash at Beginning of Year	<u>8,016.85</u>	<u>8,049.63</u>
<u>Cash at End of Year</u>	<u>\$ 8,639.38</u>	<u>\$ 8,016.85</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present the Township of Leroy and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

Basis of Presentation

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Township of Leroy are recorded in separate funds and account groups, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general governmental departments, boards and commissions; (2) law enforcement; and (3) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

Special Revenue Funds

These funds are used to account for specific revenue (other than expendable trusts or major capital projects) derived from State and Federal grants, General Fund appropriations and charges for services which are to be expended for specific purposes as dictated by legal, regulatory or administrative requirements.

Debt Service Funds

These funds are used to record revenues which are restricted for the payment of principal and interest on debt recorded in the General Long-Term Debt Account Group.

TOWNSHIP OF LEROY
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

GOVERNMENTAL FUNDS (Continued)

Capital Projects Funds

These funds are used to account for the acquisitions or construction of major facilities other than those financed by proprietary funds operations.

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds ©) Pension Trust Fund; and (d) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group

This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, drains, curbs, and gutters are not capitalized.

General Long-Term Debt Account Group

This Account Group presents the balance of general obligation long-term debt which is not recorded in proprietary or trust funds.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

Investments are stated at cost.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual--that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

TOWNSHIP OF LEROY
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

BASIS OF ACCOUNTING (Continued)

fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

- a. Property tax revenue is recognized in accordance with MCGAA Statement 3:

Properties are assessed and lienied as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.
- b. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

Budgets and Budgetary Accounting:

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to December 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them. The budgets are adopted to the activity level.
2. Public hearings are conducted at the Township hall to obtain taxpayer comments.
3. Prior to February 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the governmental fund types and the expendable trust funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Budgeted amounts are as originally adopted, or as amended by the Township Board.

Comparative Data:

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations.

Investments:

Investments are stated at cost.

Property Tax and Delinquent Taxes Receivable

Taxes are levied for the Township on December 1. The Township bills and collects its own property taxes. Property taxes not paid to the Township treasurer by the final due date in March are turned over to the County treasurer. The County purchases the delinquent taxes of the Township and normally remits the taxes to the Township the following year. The taxes paid by the county are included as revenue on the Township's books at the preceding March 31 date.

TOWNSHIP OF LEROY
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

BASIS OF ACCOUNTING (Continued)

The 2003 Taxable valuation of the Township totaled \$90,388,539 on which ad valorem taxes levied consisted of 0.8250 mills for operating purposes. These amounts are recognized in the general fund.

Delinquent Taxes Receivable

	<u>Taxes</u>	<u>PTAF</u>	<u>Total</u>
2003 Tax Levy	\$68,642	\$43,266	\$111,908
2003 Taxes Collected	<u>63,723</u>	<u>39,146</u>	<u>102,869</u>
2003 Taxes Uncollected	4,919	4,120	9,039
Delinquent Taxes Receivable, April 1	4,236	1,962	6,198
Delinquent Taxes Collected	<u>4,236</u>	<u>1,962</u>	<u>6,198</u>
Delinquent Taxes Receivable, March 31	<u>\$ 4,919</u>	<u>\$ 4,120</u>	<u>\$ 9,039</u>
<u>Summary by Year of Levy, 2003</u>	<u>\$ 4,919</u>	<u>\$ 4,120</u>	<u>\$ 9,039</u>

Total Columns on Combined Statements - Overview:

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BALANCE SHEET--CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in two financial institutions in the name of Leroy Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion

TOWNSHIP OF LEROY
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

BALANCE SHEET--CASH AND INVESTMENTS (Continued)

No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>Deposits</u>	
Insured (FDIC)	\$116,979
Uninsured	<u>214,717</u>
Total Deposits	<u>\$331,696</u>

At year end, the balance sheet carrying amount of deposits was \$331,696.

In accordance with GASB Statement 3, investments are classified into three categories of credit risk as follows:

- Category 1: Insured or collateralized with securities held by the Township or its agent in the Township's name.
- Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.
- Category 3: Uncollateralized (includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Township's name).

<u>Investment Type</u>	(1)	(2)	(3)	<u>Carrying Amount</u>	<u>Market Value</u>
Risk-Categorized					
Cash Equivalents	190,862	\$ -	\$ -	\$190,862	\$190,862

FIXED ASSETS

<u>Changes in General Fixed Assets</u>	<u>Balance 4/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/04</u>
Land and buildings	\$428,665	\$ -	\$ -	\$428,665
Fire trucks	290,493	-	-	290,493
Fire equipment	76,740	1,237	-	77,977
Office equipment and furniture	33,025	449	-	33,474
Library equipment and furniture	11,157	-	-	11,157
Machinery and equipment	<u>9,830</u>	<u>-</u>	<u>-</u>	<u>9,830</u>
Totals	<u>\$849,910</u>	<u>\$ 1,686</u>	<u>\$ -</u>	<u>\$851,596</u>

The annual operating budget has generally been prepared in accordance with generally accepted accounting principles, with the following exceptions:

Operating budgets for the following special revenue funds have not been prepared:

Street Lighting Fund

TOWNSHIP OF LEROY
GENERAL FUND

BALANCE SHEET

March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Cash in bank - checking	\$ 6,261.60	\$ 20,611.39
Cash in bank - savings	305,421.72	200,451.05
Investments	190,701.68	122,740.19
Building fund investments	-	66,975.00
Delinquent taxes receivable	9,038.56	6,197.87
Due from other funds	743.98	0.01
<u>Total Assets</u>	<u>\$ 512,167.54</u>	<u>\$ 416,975.51</u>
<u>Fund Balance</u>		
Reserved for building	\$ 360,663.20	\$ 316,975.00
Unreserved	151,504.44	100,000.51
<u>Total Fund Balance</u>	<u>\$ 512,167.64</u>	<u>\$ 416,975.51</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Revenues</u>				
Taxes:				
Current property taxes		\$ 68,641.68		\$ 62,475.98
Trailer park fees		909.00		885.50
P.A. 425 Taxes		7,762.75		1,729.09
Penalties and interest		23.03		58.76
Property tax administration fees		43,265.84		35,285.93
Total Taxes	\$ 98,900.00	120,602.30	\$ 21,702.30	100,435.26
Licenses and permits:				
Building permits		13,614.75		9,497.15
CATV franchise fee		2,364.31		-
Total Licenses and Permits	10,500.00	15,979.06	5,479.06	9,497.15
State grants:				
State shared revenue	108,050.00	148,666.00	40,616.00	161,207.00
Charges for services rendered:				
Collection fees		4,220.00		-
Zoning fees		10,370.31		2,102.00
Grave openings		1,200.00		700.00
Storage fees		50.00		20.00
Total Charges for Services Rendered	3,000.00	15,840.31	12,840.31	2,822.00
<u>Forward</u>	\$ 220,450.00	\$ 301,087.67	\$ 80,637.67	\$ 273,961.41

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance	12/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Forwarded</u>	\$ 220,450.00	\$ 301,087.67	\$ 80,637.67	\$ 273,961.41
<u>Revenues (cont'd)</u>				
Charges for services - sales:				
Cemetery lots		1,200.00		-
Cemetery foundations		149.60		72.00
Total Charge for Services - Sales	1,200.00	1,349.60	149.60	72.00
Miscellaneous:				
Interest earned		11,709.28		4,139.90
Election reimbursement		863.16		-
Other income		6,092.17		7,263.50
Total Miscellaneous	14,500.00	18,664.61	4,164.61	11,403.40
Total Revenues	236,150.00	321,101.88	84,951.88	285,436.81
<u>Expenditures</u>				
Township board:				
Salaries		4,600.00		2,910.00
Membership and dues		1,882.58		1,621.57
Miscellaneous		522.90		885.35
Total Township Board	7,005.48	7,005.48	-	5,416.92
Supervisor:				
Salaries		18,500.00		17,500.00
Transportation		-		54.02
Miscellaneous		669.00		926.90
Total Supervisor	19,169.00	19,169.00	-	18,480.92
<u>Forward</u>	\$ 26,174.48	\$ 26,174.48	\$ -	\$ 23,897.84

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Forwarded</u>	\$ 26,174.48	\$ 26,174.48	\$ -	\$ 23,897.84
<u>Expenditures (cont'd)</u>				
Elections:				
Salaries		942.00		2,340.00
Contracted services		-		403.90
Miscellaneous		241.01		193.20
Total Elections	12,500.00	1,183.01	11,316.99	2,937.10
Assessor:				
Salaries		15,999.84		16,000.00
Software and support		983.80		1,008.93
Total Assessor	17,200.00	16,983.64	216.36	17,008.93
Attorney:				
Professional services	20,000.00	3,586.46	16,413.54	5,994.87
Clerk:				
Salaries		18,200.00		17,032.00
Office supplies and postage		4,333.97		3,138.37
Transportation		45.45		44.85
Printing and publishing		1,859.43		3,037.20
Miscellaneous		175.00		1,206.93
Total Clerk	24,800.00	24,613.85	186.15	24,459.35
Audit:				
Professional services	2,600.00	2,600.00	-	2,550.00
<u>Forward</u>	\$ 103,274.48	\$ 75,141.44	\$ 28,133.04	\$ 76,848.09

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Forwarded</u>	\$ 103,274.48	\$ 75,141.44	\$ 28,133.04	\$ 76,848.09
<u>Expenditures</u> (cont'd)				
Board of review:				
Salaries		410.00		420.00
Miscellaneous		80.43		87.97
Total Board of Review	600.00	490.43	109.57	507.97
Treasurer:				
Salaries		18,497.50		17,746.00
Tax expenses		210.73		163.58
Transportation		42.00		95.42
Miscellaneous		1,414.88		711.42
Total Treasurer	20,165.11	20,165.11	-	18,716.42
Township office:				
Salaries		7,818.50		7,368.75
Office supplies		1,698.66		1,496.14
Janitor services		3,550.00		3,000.00
Grounds maintenance		4,038.50		2,907.47
Computer services		668.76		-
Insurance		12,528.00		11,169.00
Utilities		5,418.57		5,601.80
Repairs and maintenance		8,532.56		344.19
Miscellaneous		1,435.20		2,040.50
Total Township Office	49,231.18	45,688.75	3,542.43	33,927.85
<u>Forward</u>	\$ 173,270.77	\$ 141,485.73	\$ 31,785.04	\$ 130,000.33

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Forwarded</u>	\$ 173,270.77	\$ 141,485.73	\$ 31,785.04	\$ 130,000.33
<u>Expenditures</u> (cont'd)				
Cemetery:				
Salaries		3,585.00		4,390.00
Supplies		1,206.62		2,135.74
Contracted services		800.00		-
Miscellaneous		1,268.06		-
Total Cemetery	10,500.00	6,859.68	3,640.32	6,525.74
Fire:				
Hazmat dues		500.00		500.00
Utilities		3,032.61		2,911.62
Total Fire	3,500.00	3,532.61	(32.61)	3,411.62
Building inspection:				
Salaries		7,935.00		7,295.00
Miscellaneous		-		105.00
Total Building Inspection	9,500.00	7,935.00	1,565.00	7,400.00
Planning commission:				
Salaries		2,790.00		900.00
Contracted services		10,937.03		1,821.57
Total Planning Commission	13,727.03	13,727.03	-	2,721.57
<u>Forward</u>	\$ 210,497.80	\$ 173,540.05	\$ 36,957.75	\$ 150,059.26

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Forwarded</u>	\$ 210,497.80	\$ 173,540.05	\$ 36,957.75	\$ 150,059.26
<u>Expenditures</u> (cont'd)				
Board of Appeals:				
Salaries	900.00	690.00	210.00	720.00
Drain at large:				
County drain tax	20,904.65	20,904.65	-	7,141.88
Engineer:				
Contracted services	1,000.00	-	1,000.00	-
Highways and streets:				
Contracted services		20,571.17		30,000.00
Street lights		263.64		-
Total Highways and Streets	27,300.00	20,834.81	6,465.19	30,000.00
Sanitation:				
Recycling services	2,000.00	-	2,000.00	-
Recreation:				
Contribution	1,500.00	-	1,500.00	1,500.00
Library:				
Rental	6,000.00	5,000.00	1,000.00	5,000.00
Employee fringe benefits:				
Social security and medicare	4,000.00	3,675.70	324.30	3,325.38
<u>Forward</u>	\$ 274,102.45	\$ 224,645.21	\$ 49,457.24	\$ 197,746.52

TOWNSHIP OF LEROY
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance Favorable (Unfavorable)	Actual
	Budget	Actual		
<u>Forwarded</u>	\$ 274,102.45	\$ 224,645.21	\$ 49,457.24	\$ 197,746.52
<u>Expenditures (cont'd)</u>				
Capital outlay:				
Townhall equipment		1,810.45		1,164.95
Cemetery equipment		-		-
Total Capital Outlay	4,500.00	1,810.45	2,689.55	1,164.95
Contingencies:				
Miscellaneous	7,565.55	-	7,565.55	-
Total Expenditures	286,168.00	226,455.66	59,712.34	198,911.47
Excess (Deficiency) of Revenues over Expenditures	(50,018.00)	94,646.22	144,664.22	86,525.34
<u>Other Sources (Uses)</u>				
Transfer from cemetery perpetual care fund	-	545.91	-	665.55
Transfer to building fund	-	-	545.91	-
Total Other Sources (Uses)	-	545.91	545.91	665.55
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(50,018.00)	95,192.13	145,210.13	87,190.89
Fund Balance, April 1	410,663.20	416,975.51	6,312.31	329,784.62
<u>Fund Balance, March 31</u>	<u>\$ 360,645.20</u>	<u>\$ 512,167.64</u>	<u>\$ 151,522.44</u>	<u>\$ 416,975.51</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
STREET LIGHTING FUND

BALANCE SHEET

March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Cash in bank	\$ 629.95	\$ 632.69
Delinquent assessments receivable	<u>10.48</u>	<u>9.31</u>
<u>Total Assets</u>	<u>\$ 640.43</u>	<u>\$ 642.00</u>
<u>Fund Balance</u>		
Reserved	<u>\$ 640.43</u>	<u>\$ 642.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
STREET LIGHTING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Year Ended March 31, 2004
With comparative Totals for Year Ended March 31, 2003

	<u>3/31/04</u> Actual	<u>3/31/03</u> Actual
<u>Revenues</u>		
Special assessments	\$ 562.80	\$ 595.00
Reimbursed for lot lights	<u>263.64</u>	<u>203.92</u>
Total Revenues	826.44	798.92
<u>Expenditures</u>		
Street lighting utilities	<u>828.01</u>	<u>826.44</u>
Excess (Deficiency) of Revenues over Expenditures	(1.57)	(27.52)
Fund Balance, April 1	<u>642.00</u>	<u>669.52</u>
<u>Fund Balance, March 31</u>	<u><u>\$ 640.43</u></u>	<u><u>\$ 642.00</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
FIDUCIARY FUNDS

COMBINING BALANCE SHEET

March 31, 2004
With Comparative Totals for March 31, 2003

	Trust Fund Cemetery Perpetual Care	Agency Funds	Totals	
			3/31/04	3/31/03
<u>Assets</u>				
Cash	\$ 8,639.38	\$ 743.98	\$ 9,383.36	\$ 199,439.31
Investments	10,160.00	-	10,160.00	10,160.00
Interest receivable	214.00	-	214.00	214.00
<u>Total Assets</u>	<u>\$ 19,013.38</u>	<u>\$ 743.98</u>	<u>\$ 19,757.36</u>	<u>\$ 209,813.31</u>
<u>Liabilities</u>				
Due to other governmental units	\$ -	\$ -	\$ -	\$ 191,422.46
Due to general fund	-	743.98	743.98	-
Total Liabilities	-	743.98	743.98	191,422.46
<u>Fund Balances</u>				
Nonexpendable	15,845.00	-	15,845.00	15,245.00
Expendable	3,168.38	-	3,168.38	3,145.85
Total Fund Balances	19,013.38	-	19,013.38	18,390.85
<u>Total Liabilities and Fund Balances</u>	<u>\$ 19,013.38</u>	<u>\$ 743.98</u>	<u>\$ 19,757.36</u>	<u>\$ 209,813.31</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
CEMETERY PERPETUAL CARE FUND

BALANCE SHEET

March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Cash in bank - savings	\$ 8,639.38	\$ 8,016.85
Certificates of deposit	10,000.00	10,000.00
Investments (at cost)	160.00	160.00
Interest receivable	214.00	214.00
	<u>214.00</u>	<u>214.00</u>
<u>Total Assets</u>	<u>\$ 19,013.38</u>	<u>\$ 18,390.85</u>
<u>Fund Balance</u>		
Nonexpendable	\$ 15,845.00	\$ 15,245.00
Expendable	3,168.68	3,145.85
	<u>3,168.68</u>	<u>3,145.85</u>
<u>Total Fund Balance</u>	<u>\$ 19,013.68</u>	<u>\$ 18,390.85</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY

COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - AGENCY FUNDS

Year Ended March 31, 2004

	Balance 4/1/03	Additions	Deductions	Balance 3/31/04
<u>Current Tax Collection Fund</u>				
Assets:				
Cash	\$ 191,422.46	\$ 4,078,879.59	\$ 4,269,558.07	\$ 743.98
Liabilities:				
Due to county	\$ 28.50	\$ 918,501.05	\$ 918,529.55	\$ -
Due to schools	-	1,912,208.26	1,912,208.26	-
Due to state	180,563.40	605,369.78	785,933.18	-
Due to village's DDA	-	375,234.43	375,234.43	-
Due to general fund	0.01	115,782.39	115,038.42	743.98
Due to street light fund	-	561.63	561.63	-
Due to emergency services	-	94,819.53	94,819.53	-
Due to other	10,830.55	56,402.52	67,233.07	-
<u>Total Liabilities</u>	<u>\$ 191,422.46</u>	<u>\$ 4,078,879.59</u>	<u>\$ 4,269,558.07</u>	<u>\$ 743.98</u>
<u>Trust and Agency Fund</u>				
Assets:				
Cash	\$ -	\$ 18,052.80	\$ 18,052.80	\$ -
Liabilities:				
Due to county	\$ -	\$ 909.00	\$ 909.00	\$ -
Due to general fund	-	909.00	909.00	-
Due to state	-	3,636.00	3,636.00	-
Due to federal	-	7,870.80	7,870.80	-
Due to insurance carrier	-	4,728.00	4,728.00	-
<u>Total Liabilities</u>	<u>\$ -</u>	<u>\$ 18,052.80</u>	<u>\$ 18,052.80</u>	<u>\$ -</u>
<u>Total Agency Funds</u>				
Assets:				
Cash	\$ 191,422.46	\$ 4,096,932.39	\$ 4,287,610.87	\$ 743.98
Liabilities:				
Due to county	\$ 28.50	\$ 919,410.05	\$ 919,438.55	\$ -
Due to schools	-	1,912,208.26	1,912,208.26	-
Due to state	180,563.40	609,005.78	789,569.18	-
Due to federal	-	7,870.80	7,870.80	-
Due to village's DDA	-	375,234.43	375,234.43	-
Due to general fund	0.01	116,691.39	115,947.42	743.98
Due to street light fund	-	561.63	561.63	-
Due to others	10,830.55	155,950.05	166,780.60	-
<u>Total Liabilities</u>	<u>\$ 191,422.46</u>	<u>\$ 4,096,932.39</u>	<u>\$ 4,287,610.87</u>	<u>\$ 743.98</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
CURRENT TAX COLLECTION FUND

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2004

<u>Balance, April 1</u>		\$ 191,422.46
<u>Receipts</u>		
Current property taxes and fees	\$ 3,993,365.60	
Interest earned on savings	2,575.15	
Delinquent taxes and interest	14,466.02	
Interest on summer taxes	1,239.75	
Overpaid taxes	<u>67,233.07</u>	
Total Receipts		<u>4,078,879.59</u>
Total Receipts and Balance, April 1		4,270,302.05
<u>Disbursements</u>		
Ingham County	918,529.55	
Webberville Schools	848,528.96	
Williamston Schools	197,233.87	
Dansville Schools	24,816.76	
Ingham Intermediate Schools	543,590.55	
Lansing Community College	298,038.12	
State of Michigan	785,933.18	
Village of Webberville DDA	375,234.43	
Northeast Ingham Emergency	94,819.53	
General Fund	115,038.42	
Street Lighting Fund	561.63	
Refund of Overpaid Taxes	<u>67,233.07</u>	
Total Disbursements		<u>4,269,558.07</u>
<u>Balance, March 31</u>		<u>\$ 743.98</u>

See accompanying notes to financial statements.

TOWNSHIP OF LEROY
TRUST AND AGENCY FUND

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2004

<u>Balance, April 1</u>		\$ -
<u>Receipts</u>		
Trailer fees	\$ 5,454.00	
Withholding taxes and FICA	7,870.80	
Deferred compensation contributions	<u>4,728.00</u>	
Total Receipts		<u>18,052.80</u>
Total Receipts and Balance, April 1		18,052.80
<u>Disbursements</u>		
State of Michigan	3,636.00	
Ingham county	909.00	
General fund	909.00	
Federal government	7,870.80	
Insurance carrier - pension	<u>4,728.00</u>	
Total Disbursements		<u>18,052.80</u>
<u>Balance, March 31</u>		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

JAMES M. IRELAND

6920 S. CEDAR ST., SUITE 3
LANSING, MICHIGAN 48911-6924
(517) 699-5320

July 6, 2004

Leroy Township
P.O. Box 416
Webberville, MI 48892

Boardmembers:

I have completed my examination of the books and records of Leroy Township for the year ended March 31, 2004.

There was no budget prepared for the Street Lighting Fund. I recommend that this budget be prepared each year even though it has not much detail to the fund.

Sincerely,

A handwritten signature in cursive script that reads "James M. Ireland, CPA". The signature is written in dark ink and is positioned above the printed name and title.

James M. Ireland
Certified Public Accountant